



LEAP TIDE CAPITAL MANAGEMENT, INC.

U.S. Bankruptcy Court
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JUN 11 2009

Judge _____

June 5, 2009

The Honorable Kevin Gross
U.S. Bankruptcy Court
824 Market Street, 3rd Floor
Wilmington, DE 19801

Re: Chapter 11 Case Number 07-11337

Dear Judge Gross,

Investment funds managed by us, Leap Tide Capital Management, Inc. ("We" or "LTCM"), a Delaware corporation, including Leap Tide Partners, L.P., Leap Tide Offshore, Ltd. and a portfolio for AmTrust International Insurance, Ltd., have been shareholders of SCO Group Inc. ("SCO") common stock since February 2005. These entities collectively own 8.0% of the shares outstanding as of the latest Form 10-Q filing with the Securities and Exchange Commission. We invested in SCO after investigating its claims against IBM and Novell together with our outside counsel and determining that the claims have merit, were important to SCO and the shaping of the industry, and provided potential for significant returns for investors. Under certain circumstances and terms, we would be interested in providing additional capital to SCO to pursue its claims against IBM and Novell and continue to develop its products and services.

LTCM understands that motions have been filed by IBM and Novell to convert SCO's Chapter 11 filing to a Chapter 7 filing. We understand that IBM and Novell argue that SCO management has been focused on the litigation in Utah, jeopardizing the prospects of paying its creditors. We also understand that SCO's appeal to the Tenth Circuit Court of Appeals has been argued and that a ruling will likely be issued in the next couple of months, and that a ruling in favor of SCO would give merit to the Utah case against IBM and Novell. We strongly oppose the efforts to convert SCO's Chapter 11 filing to Chapter 7 filing or other liquidation plan prior to the proper conclusion of significant outstanding litigation that could provide the greatest returns for all SCO stakeholders and creditors.

Thank you for your attention to this matter.

Sincerely,


Jan Loeb
President and Portfolio Manager

CC: Joseph McMahon UST and The SCO Group, Inc.